



CITY PLANNING COMMISSION

February 25, 2004 Calendar No. 14

N 040200 BDM

IN THE MATTER of an application submitted by the Department of Small Business Services on behalf of the Madison/ 23rd/ Flatiron/ Chelsea Business Improvement District pursuant to Section 25-405 of the Administrative Code of the City of New York, as amended, concerning the formation of the Madison/ 23rd/ Flatiron/ Chelsea Business Improvement District, Borough of Manhattan, Community Districts 4,5 and 6.

On October 31, 2003 the Mayor authorized the preparation of a district plan for the Madison /23rd /Flatiron /Chelsea Business Improvement District (BID). On December 2, 2003 on behalf of the Madison /23rd /Flatiron /Chelsea District Management Association, the Department of Small Business Services (DSBS) submitted to the Department of City Planning the district plan located in Community Districts 4, 5 and 6 in the Borough of Manhattan.

BACKGROUND

The proposed Madison /23rd /Flatiron /Chelsea BID is located in the Flatiron section of Manhattan. The proposed BID boundaries are: east to west from Third Avenue to Sixth Avenue along 23rd Street; south to north, including all side streets from 21st Street to 29th Street, along Broadway, Sixth, Fifth and Park avenues; Madison Avenue between 23rd and 29th streets; and Lexington Avenue from 22nd to 26th streets.

The proposed BID area is primarily commercial and mixed-use residential with some not-for-profits. Historic buildings, such as the Flatiron Building, as well as the Metropolitan Life and New York Life Insurance buildings, are a central focal point in the district. Baruch College is also partially located within the BID's boundaries.

There are 4,927 businesses located within 1,533 properties of the proposed BID area. There are over 600 retail stores in the District.

The services of the proposed BID will primarily focus on sanitation, security, holiday lighting and marketing. The sanitation program may include cleaning and sweeping of sidewalks and gutters, emptying garbage receptacles and removal of graffiti. The BID proposes to employ a team of sanitation workers, that will operate 365 days a year. The program will supplement the existing municipal sanitation program.

The budget for the first year of the BID is projected to be \$1,680,000. The budget will allocate \$713,000 towards the sanitation program; \$238,000 to security; \$204,000 to marketing; \$100,000 towards outreach to the homeless; \$311,000 to administration and a reserve fund of \$114,000.

The BID assessment is six cents (\$0.06) per commercial square foot on twenty-eight million square feet in the District. Any building over one million square feet would be assessed at eighty percent of the total rate. All wholly residential properties shall be assessed one dollar, annually. Not-for-profit and public institutions shall be exempt, except that if the building contains commercial uses, the assessment will be six cents per commercial square foot.

Extensive outreach to property owners, merchants and residents was done by the BID Steering Committee. There were public meetings, mailings and door to door outreach conducted by the sponsor. All property owners were informed of the approximate BID assessment for their properties. The outreach for the BID was documented and submitted to City Planning. The BID's sponsor obtained support statements from 87% of the assessed value property owners.

The Madison/ 23rd/ Flatiron/ Chelsea BID area is in close proximity to the Union Square BID. There are properties between the Union Square BID and the proposed BID, that are not included within any BID. However, the Union Square BID has future plans to expand and plans to include properties north of their boundary at 17th Street.

ENVIRONMENTAL REVIEW

The district plan was reviewed pursuant to the New York State Environmental Quality Review Act (SEQRA) and the SEQRA regulations set forth in Volume 6 of the New York State Code of Rules and Regulations, Section 617.00 et seq., and the New York City Environmental Quality Review (CEQR) Rules of Procedure of 1991 and Executive Order No. 91 of 1977. The designated CEQR number is 04SBS001M. The lead agency is the Department of Small Business Services.

After a study of the potential environmental impact of the proposed action, a negative declaration was issued on November 24, 2003.

LAND USE REVIEW

On December 2, 2003 the Department of Small Business Services submitted the district plan for the Madison/ 23rd/ Flatiron/ Chelsea Business Improvement District(BID) to the Department of City Planning. The plan was then transmitted for review to the Office of the Mayor, Office of the Manhattan Borough President, City Council Speaker, City Council Members for Council Districts 2 and 3 and Manhattan Community Boards 4, 5 and 6.

Community Board Public Hearing

Community Boards 4,5 and 6 adopted resolutions recommending

approval of this application (N 040200 BDM). Community Board 4 recommended approval on December 3, 2003 by a vote of 32 in favor, 0 opposed and 0 abstentions. Community Board 5 voted 26 in favor; 0 opposed and 1 abstention, on December 11, 2003, to approve the application. On December 10, 2003, Community Board 6 voted 36 in favor; 0 in opposition and 0 abstentions.

City Planning Commission Public Hearing

On January 7, 2004 (Calendar No. 2) the Commission scheduled January 28, 2004 for a public hearing on the district plan. On January 28, 2004 (Calendar No. 5), the hearing was duly held. There were four speakers in favor of the proposal and none in opposition.

The chair pro tem of the 23rd Street Association spoke in support of the BID expansion. She spoke about the growth of the businesses in the area and the sanitation problems that developed as a result. She spoke about how important it was to establish a BID to address the sanitation problem of the area. She stated that the proposed BID had the support of the three Community Boards that cover the proposed BID.

The president of the Union Square BID spoke in support of the proposed BID. She stated that the Union Square BID is planning to

expand its boundaries to include properties that were not included in the proposed Madison/23rd/Flatiron/Chelsea BID, but that are situated between the existing Union Square and the proposed BID.

The chairperson of Community Board 5 spoke in support of the BID. He spoke of his involvement with several BIDs that are within the boundaries of the Community District. He stated that the BID would be beneficial to the residents of the area as well as the businesses. He said that the BID would unify and brand the area as a neighborhood.

The president of the 23rd Street Association and member of the Steering Committee spoke in favor of the proposed BID. She spoke about previous short-termed successful events that were conducted to address sanitation problems and to give the businesses an idea of how a BID would be beneficial to them.

There were no other speakers and the hearing was closed.

CONSIDERATION

The Commission believes that the proposal to establish the Madison/23rd/ Flatiron/ Chelsea Business Improvement District in Manhattan is appropriate.

The Commission believes that it is important for the proposed BID to work together with the Union Square BID to include properties that are not within either BID, but are situated between the existing Union Square and proposed Madison/23rd/Flatiron/Chelsea BIDs. Based on testimony provided at the public hearing, the Commission believes that these properties will be included in future expansion plans for the Union Square BID.

The Commission also encourages both BIDs to coordinate the provision of homeless outreach services and other social services in the area. It believes a collaborative effort will strengthen the entire area.

The Commission has carefully reviewed the documents that the proposed BID sponsor submitted regarding notification of constituents about the pending BID. It believes that these outreach efforts for the BID were adequate and satisfactory.

BIDs are important to the City because they improve the business environment and aid in promoting healthy economic development for the City. The proposed BID area encompasses a diverse area that includes a huge residential component. The propose BID would establish a cohesiveness thereby unifying the area that can be identified by one image or brand.

RESOLUTION

The Commission supports the proposed plan and has adopted the following resolution:

RESOLVED, that the City Planning Commission certifies its unqualified approval of the proposed district plan for the Madison /23rd/Flatiron/Chelsea Business Improvement District.

The above resolution duly adopted by the City Planning Commission on February 25, 2004 (Calendar No. 14) is filed with the City Council and the City Clerk pursuant to Section 25-405 of the Administrative Code of the City of New York.

AMANDA M. BURDEN, AICP, Chair

KENNETH KNUCKLES, Vice Chairman

ANGELA M. BATTAGLIA, IRWIN G. CANTOR, P.E.,

ANGELA M. CAVALUZZI, R.A., RICHARD W. EADDY, ALEXANDER GARVIN,

JANE D. GOL, CHRISTOPHER KUI, JOHN MEROLO, KAREN A. PHILLIPS, DOLLY

WILLIAMS, Commissioners